GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2892
ANSWERED ON:07.12.2001
UNDER INVOICING BY MNCS
DINSHA J. PATEL

Will the Minister of FINANCE be pleased to state:

(a) whether some of the foreign based companies operating in India who were given licence for import of scotch concentrates have been found under invoicing and not declaring of value of imported goods and evaded customs duty amounting to crores of rupees;

(b) if so, the names of these companies and the amount evaded in each case as on June 30, 2001; and (

(c) the action being taken by the Government to ensure that such companies do not indulge in such malpractices in future?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (BALASAHEB VIKHE PATIL)

(a)&(b): Yes, Sir. M/s Seagram Manufacturing Limited was prima-facie found to be under-invoicing imports of scotch concentrates. Two show cause notices have been issued involving Customs duty of Rs.50.04 crores.

(c) : During adjudication of the show cause notices, appropriate penal action would be taken against the importer in the light of gravity of offence as adjudged by the adjudicating authority. Besides this, a complaint for prosecution has also been filed against M/s Seagram Manufacturing Limited and its officials in the judicial court at New Delhi.